

Sheila Stoeller

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**From:** Sarah Morgan [smorgan@AZAGC.ORG]  
**Sent:** Thursday, November 04, 2010 4:46 PM  
**To:** Newman-Web; Pierce-Web; Mayes-WebEmail; Kennedy-Web; Stump-Web  
**Cc:** David Martin  
**Subject:** AGC letter  
**Attachments:** AGC ACC CEC letter 11.04.10.pdf

Dear Commissioners:

Attached is a letter on behalf of AGC to the Commission regarding language included in the Certificate of Environmental Compatibility for the Hualapai Valley Solar Project, Docket Number L-00000NN-09-0541-00151. Please let me know if you have any questions.

Regards,  
Sarah

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## Arizona Chapter Associated General Contractors

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November 4, 2010

Arizona Corporation Commission  
Commissioners Wing  
1200 West Washington  
Phoenix, AZ 85007-2296

Dear Commissioners:

The Arizona Chapter Associated General Contractors (AGC) would like express our concern with language included in the recently approved Certificate of Environmental Compatibility (CEC) for the Hualapai Valley Solar Project (HVS).

The language, specifically known as paragraph 28 in the CEC reads as follows:

*"28. Within ninety (90) days of the Commission decision granting this Certificate, the Applicant shall make good faith efforts to commence discussions with the Arizona Building Trades Council on a model construction agreement to encourage the utilization of qualified local or Arizona union or non-union construction workers for the construction of the Project."*

The language requires HVS to "negotiate" with the Arizona Building Trades Council. This move essentially mandated HVS "sit-down" with union lawyers to hammer out a government mandated project labor agreement by including it in the project's CEC.

It is inappropriate to insert any type of language regarding labor issues into the CEC -- it is neither germane, nor applicable. Even so, as outlined in Paragraph 28, labor discussions were not required to begin until "*within ninety (90) days of the Commission decision granting this Certificate,*" the CEC was under a conditional stay, thus making the Arizona Building Trade Council request to intervene premature.

At the hearing, union attorneys argued that HVS did not meet with them in good faith even though the commission had not formally lifted the conditional stay granting the CEC. This did not stop the union attorneys from haranguing the applicant in front of the commission and general public saying HVS was being disingenuous in their meetings with the union reps.

AGC has, and will continue, to strongly oppose government mandated project labor agreements. Such project labor agreements typically restrict the majority of employment to those workers whom unions are willing to refer to the project. This leads to a negative impact on small companies, nonunion companies, and disadvantaged businesses as they are frequently excluded from contracting opportunities by such agreements -- those whom the Arizona Building Trades Council claims to want to help.

Sincerely,

Sarah Morgan  
Vice President

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